

DEPARTMENT OF STATE REVENUE

**LETTER OF FINDINGS NUMBER 93-0101 CSET
Controlled Substance Excise Tax
For Tax Period December 18, 1992**

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUE

1. **Controlled Substance Excise Tax – Imposition**

Authority: IC 6-7-3-5.

The taxpayer protested the assessment of Controlled Substance Excise Tax.

STATEMENT OF FACTS

The taxpayer was arrested on or about January 3, 1993 for possession of controlled substances. The Indiana Department of Revenue served the taxpayer with the CSET assessment and jeopardy demand notice on January 15, 1993. The tax warrants were issued to the sheriff for collection; no bank levies were issued at that time. Taxpayer filed a protest to the assessment on January 25, 1993.

DISCUSSION

1. **Controlled Substance Excise Tax – Imposition**

IC 6-7-3-5 imposes the Controlled Substance Excise Tax on the delivery and possession of controlled substances in the State of Indiana. The taxpayer stated that she had prescriptions for all of the drugs she had on her person. The taxpayer supplied the

record of her case. The taxpayer stated that she paid \$100.00 fine for disorderly conduct. On July 23, 1998, the Marion County prosecutor was contacted. The prosecutor's office pulled the arrest file and it indicated that the taxpayer had provided them with proof (prescriptions) for all of the drugs found on her person and that she paid a \$100.00 fine and was released.

FINDINGS

The taxpayer's protest is sustained.